

FOR IMMEDIATE RELEASE

December 20, 2019

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Notice Concerning an Administrative Action in light of Act on Architects and Building Engineers

Leopalace21 Corporation (Headquarters: Nakano, Tokyo; President and CEO: Bunya Miyao; the "Company") regrets to announce that the three first-class architects employed by the Company got their qualification revoked by the Ministry of Land, Infrastructure, Transport and Tourism in accordance with Article 10 of Act on Architects and Building Engineers.

We regarded the above administrative action as punishment on the Company and took it seriously despite the fact that it was three in-house first-class architects who are directly affected. We will continue to strive to reinforce the compliance framework and engaged in daily operations by strictly complying with the laws and regulations and implementing recurrence-prevention measures.

We offer our deepest apologies to apartment owners, tenants, corporate customers, and all other stakeholders for the distress and inconvenience caused by construction defects problem and subsequent events.

END